Crown Corporation
BUSINESS PLANS
FOR THE FISCAL YEAR 2008–2009

Nova Scotia Housing Development Corporation
Business Plan 2008–2009

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Message from the Nova Scotia Housing Development Corporation

On behalf of the Nova Scotia Housing Development Corporation, we are pleased to present the corporation's 2008–2009 business plan.

In concert with the Department of Community Services, the corporation provides the base upon which to build healthy and sustainable communities and the foundation for Nova Scotia's families to grow and prosper. Access to safe, adequate, and affordable housing is fundamental to personal well-being, providing a safe place for families to live and raise children and enabling them to participate in the social and economic life of the province.

This fiscal year, we are pleased to build on our close relationship with the Department of Health, as we work over the coming years to provide financial assistance to support that department's 10-year, $260-million Continuing Care Strategy.

We will also establish an interdepartmental committee, with representation from Community Services, Finance, and Treasury and Policy Board, with support from the department's legal counsel, to examine the current governance structure of the corporation and to make recommendations to strengthen accountability and support the efficient and effective discharge of the corporation's business.

For 2008–2009, the corporation will continue to assess its current lending practices and identify new lending opportunities that will enable government to maximize its investment in social and supported housing. This multi-year project looks to the goal of having a clear position, mandate, and policy on mortgage lending.

We look forward to continuing our work with the corporation, its many stakeholders, partners, and organizations as we help provide Nova Scotians with safe, comfortable homes.

Judy Streatch

Minister,
Department of Community Services

Judith F. Ferguson

Deputy Minister,
Department of Community Services

Mission

To provide financing for government's social and supported housing programs.

Introduction

The Nova Scotia Housing Development Corporation, created in 1986, is responsible for holding the province's social housing assets and consolidating the revenues and expenditures associated with operating these assets.

Created by the Nova Scotia Housing Development Corporation Act, the corporation's activities include:

- the acquisition and disposal of real estate
- negotiating agreements
- borrowing and investing funds
- lending money and guaranteeing payments
- mortgaging property

The staff of the Department of Community Services carry out the management and administration functions of the corporation, but are not direct employees.

Link to the Corporate Path

Government's corporate path lays out the foundation for a prosperous Nova Scotia by setting a direction that focuses on:

- creating winning conditions
- seizing new economic opportunities
- building for individuals, families, and communities

The Nova Scotia Housing Development Corporation contributes to building for individuals, families, and communities by ensuring that long-term stable funding options are available to support the work of the Department of Community Services and others like the Department of Health.

Strategic Goal

The goal of the Nova Scotia Housing Development Corporation is to ensure that a range of financial tools are available to support government's housing objectives.

Core Business Areas

The corporation's core business functions are to:

- hold and finance provincially owned social housing assets in support of government's housing programs
- secure and manage funding to support social housing
- provide mortgage guarantees and/or loans to qualifying housing projects
- manage the funded reserves associated with provincial housing programs to protect the province from loss.

Priorities

The following priorities for 2008–2009 are in addition to the many ongoing activities that Community Services staff carry out on behalf of the corporation.

- The corporation will establish an interdepartmental committee, with representation from Community Services, Finance, and Treasury and Policy Board, with support from the department's legal counsel, to examine the current governance structure of the corporation and to make recommendations to strengthen accountability and support the efficient and effective discharge of the corporation's business.
- Working with the Department of Health, over the course of the next several years, the corporation will be to providing financial assistance to support Health's 10-year, $260-million Continuing Care Strategy.

Budget Context

The following two tables provide information on the corporation's funding and expenditures.

Nova Scotia Housing Development Corporation Funding

Funding Source	Estimate 2007-08 ($,000)	Forecast 2007-08 ($,000)	Estimate 2008-09 ($,000)
Revenue from government sources	117,900	110,700	127,300
Revenue from rents	50,600	51,800	51,200
Interest, revenue from land sales and other revenue	3,500	3,700	3,300
Total Funding	172,000	166,200	181,800

Nova Scotia Housing Development Corporation Expenditures

Expenditure Source	Estimate 2007-08 ($,000)	Forecast 2007-08 ($,000)	Estimate 2008-09 ($,000)
Interest on long-term debt	26,000	25,400	25,700
Property management and operations	43,900	55,300	57,500
Maintenance and capital improvements	28,700	20,300	20,500
Housing renovation and affordable housing	24,300	26,900	40,000
Transfer to Housing Services*	35,000	22,800	22,000
Amortization of investment in Social Housing	11,100	11,800	13,100
Administration fee and cost of land sold	3,000	3,700	3,000
Total Expenditures	172,000	166,200	181,800

* Under the terms of the Canada-Nova Scotia Social Housing Agreement, CMHC transfers the federal subsidies to the corporation monthly. A portion of this funding is then transferred to the program's divisions of the Department of Community Services for Social Housing Program subsidies. In addition, gross program expenditures under the Affordable Housing agreement and the New Home Renovation agreement are included in the forecast and estimate amounts.

Outcomes and Performance Measures

The corporation provides financing assistance to qualified agencies to purchase, lease, or upgrade housing/shelter-related facilities. This involves giving the agencies preferred interest rates for longer-term periods than would be provided by private lenders. This is particularly important to Community Services and the Department of Health, since publicly subsidized per diem rates include financing costs.

Core Business Area — ***Provide mortgage guarantees and/or loans to qualifying housing projects.***

Outcome	Measure	Data	Target 2008–09	Target 2010–11	Strategies to Achieve Target
Government has additional options in managing capital financing for government-sponsored housing.	The amount of financial assistance and/or mortgage guarantees provided to social housing projects.	2005–06 (BY): 10 projects at a total borrowing of $12.87 million 2006–07: 2 projects at a total borrowing of $9 million	TBD	TBD	• Specific targets have yet to be established as results will depend in large part on the pace of development under the Department of Health's Continuing Care Strategy. • The corporation will be providing financial assistance to support the Department of Health's development of new nursing home beds. • The corporation will also continue to foster and pursue partnering opportunities with other departments and government agencies.